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Tolson

Pacific School of
Religion

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LABOR UNDER THE N. R. A.

Workers have been the chief victims of the depression. Millions lost their jobs. Those who kept theirs were beset by fear of losing them. Also they were subject to the competitive wage cutting, lengthening of working hours and intensified speed-up in which employers engaged in their mad scramble for lower unit costs and for a greater share of the market.

It has been commonly assumed that the workers would be the chief beneficiaries of the New Deal. The jobless were to be re-employed. Workers were to have shorter hours and higher wages. They were to benefit by the elimination of competitive trade practices. Especially, under section 7a of the NRA, they were to have the right to organize and to bargain collectively without interference from employers. Some church spokesmen thought that they saw in these provisions the beginning of the realization of the labor demands in the social creeds.

WHAT IS HAPPENING?

Employment. When President Roosevelt took office the A. F. of L. estimated that there were 13,000,000 jobless. The Alexander Hamilton Institute estimate was 17,000,000. Early this year the A. F. of L. put the number who were out of work a year ago but who had been re-absorbed at 1,800,000. This figure did not include the 4,600,000 reported to have obtained jobs through the PWA, the CWA and the CCC. These jobs are temporary and the expenditures for them are in fact doles. The A. F. of L. now estimates that in November, 1933, there were 10,702,000 without jobs, a fifth of the normal wage earning population. A new study by Labor Research Association puts the figure at 16,884,000. It points out specific ways in which the A. F. of L. underestimates the number of the jobless.

Does NRA Increase Unemployment? One of the ways taken under NRA to increase employment is the shortening of the work week. The A. F. of L. estimates that the average working week was shorter by 4½ hours at the end of 1933 than a year before. But the very effort of NRA to reduce hours while preserving or increasing weekly wages, puts a premium on mechanization which in turn eliminates workers. The NRA program does not reckon with the technological factor. An example of how it works: The Addressograph-Multigraph Corporation's machines for displacing office labor have been in great demand since the NRA. Shipments for the last half of 1933 were 32% above the first half, and 24% above the last half of 1932. Some of the codes restrict production, thus resulting in "legalized lay-offs"—for instance, in certain cotton goods, rayons, silk and hosiery industries. Employers take advantage of the permission to have "apprentices" who are not subject to code requirements and dismiss regular workers. Numerous other chiseling methods tend toward more lay-offs.

Is there any way to avoid permanent mass unemployment except to get rid of the profit system?

Wages and Their Buying Power. The U. S. Bureau of Labor Statistics issues each June and December figures on the cost of living. These are based on average budgets for food, clothing, rent, household articles, fuel and light, etc., in 32 cities. In 1933 every item except rent increased. With 1923-25 as 100, the cost of living was 128.3 in June, 1933, and 135 in December, 1933, an increase of 5.2%. For the same period and with the same base, the index of payrolls increased 10.6%. Thus the total increase in factory workers' purchasing power during the NRA period is about 5%. For the average individual worker however, there has been an actual decrease in real earnings. Statisticians get at this by dividing the index of payrolls by the index of employment. The result shows that the worker's purchasing power rose from 72.1 in June to 75.2 in September, then dropped to 74.8 in December. That is, there was a rise

during the six months of 3.7% in money earnings per worker, while there was a rise of 5.2% in the cost of living.

Detail on the Worker's Dollar. Dept. of Labor figures on retail prices released in December, showed a 16.7% increase since April 15, 1933. Minneapolis topped the list of cities with a 23.8% increase, Butte was at the bottom with 8.7%. Since the New Deal went into effect strictly fresh eggs had gone up 90%, flour 54%, bread 23%, potatoes 37%, navy beans 34%; there had been trifling declines in some meats, cabbage and coffee. On January 10 the Consumers Advisory Board of NRA released these and other similar figures: The wholesale price of work shirts in March, 1933, was \$2.75 per dozen, in November, \$4.58; overalls were respectively \$5 and \$9 per dozen; men's cheap hose 47c and \$1 per dozen. Percalines, denims and outing flannel of standard types rose over 100% in the same period. Retail dealers were compelled to follow suit. Merchants reported to the Board such increases as overalls 95c to \$1.45 a pair; pails a rise of 63%, wall switches of 144%, etc.

Is the price of keeping capitalism an ever lower living standard for workers?

Has the Sweat Shop Gone? The A. F. of L., reporting for the upper layers of workers, says that there have been definite gains under the codes for the lowest wage groups, while workers of average or higher wages have been forced to a lower living standard. From other surveys come other stories about the low wage workers. Secretary Perkins reports that Department of Labor investigators have found "a startling maladjustment" in Pennsylvania's shirt industry—"an industry in which they had degenerated almost to the point of employing hardly anybody but children, and we found almost general wages of \$2 and \$3 a week." She adds, "I daresay the same conditions exist in New Jersey and Delaware." A New York State Department of Labor Bulletin reports the average wage of women in the manufacture of underwear for November to be \$4.29 a week. An average means that many wages are far below the figure. Other low wage groups who continue to get the worst of it are Negroes and foreign born workers, Mexicans, Filipinos, etc.

Loss of Homes. Another type of plight is that of the better paid workers who have been paying for little homes. Many of these are lost through foreclosures—and these are the occasion for a gathering of the parasites. A lawyer of much experience cites a typical recent case. A home had a mortgage of \$3,500 on it. Foreclosure proceedings cost the owner \$900 as follows: \$30 for searching the title; \$25 for computing the cost; \$190 for legally required notice in two designated newspapers; \$50 for auctioneer and \$5 for use of auction room; \$100 for lawyer representing the court; \$500 for attorney bringing the foreclosure proceedings. So many people get pickings that it is hard to get publicity for this exploitation. In some sections small home owners are now organizing and cooperating with unemployed councils and left wing relief leagues.

LABOR REACTIONS

On to Washington! Labor has shared in the hope in NRA. Nowadays large numbers of workers are making the rounds of Washington to see Secretary Perkins, General Johnson, other officials—"truck drivers from Springfield, air pilots from Chicago, jewelry workers from Providence, coal miners from western Pennsylvania, clothing workers from St. Louis, aluminum workers from Pittsburgh." In one week the National Labor Board had on its docket cases representing the complaints of tens of thousands of workers—"clothing workers, lock makers, radio workers, machinists," from Dundalk, Md., Duluth, Minn., Chicago, Rockford, Ill., New York City, Bellingham, Wash., Los Angeles.

New Unions and Strikes. For the most part these workers are unionists and the complaints before the Board have to do with union recognition. Unionization of workers has been going on alongside of the administration of the recovery act. President Green reports a total membership of 4,000,000 in A. F. of L. unions—about the same as at the peak period after the post-war boom. About a million and a half of these have come in under the New Deal. This is only partly due to the guarantee of section 7a. It is due also to the worsening conditions of the workers and the failure of the codes to remedy them. Great textile strikes in north and south preceded the NRA. Some credit the quick formulation and adoption of the textile code to the militancy of the textile workers. Then came strikes in automobile, shoe and coal industries. An estimated 70,000 to 100,000 miners in Pennsylvania struck 3 times to force recognition of the U. M. W. The left wing Steel and Metal Workers Industrial Union recently led the first major steel strike since 1919. Thousands of hard-coal miners are striking in Pennsylvania. The labor press constantly reports large and small sporadic strikes. The current hotel workers and taxi drivers strikes in New York City are a part of this story. Now CWA workers are organizing and striking.

New Labor Patterns. In the main, the top leadership of the A. F. of L. disapproves of these strikes. Officially the A. F. of L. is solidly behind the administration. While it complains of the scant labor representation on the codes and utters occasional threats, it cooperates with the NRA in getting rank and file strikers back to work with promises which are not redeemed. But it is at the mercy of new labor trends. Though the recognized form of A. F. of L. unions is the craft union, lately

many A. F. of L. charters have been granted to federal unions—local unions representing all the workers in a given plant. These have been the spearhead of the A. F. of L. drive in such unorganized basic industries as automobile, aluminum, rubber, electrical, radio, airplane manufacturing, chemical, copper and other industries. It is estimated that about a million of the new A. F. of L. membership came in this way. These federal unions are now getting together and demanding the right to keep their industrial form instead of being split into craft unions later. The metal and building trades and one or two other departments of the A. F. of L. furnish a precedent. But there is craft jealousy. And high official positions are threatened by the new form.

The Left Wing. The new mass unions furnish soil for more radical economic philosophy and programs of action. Left wing elements are especially active in these mass industries and also among CWA and CCC workers. They see the New Deal as a device to save capitalism. They are equally critical of employers, the administration which they think is the tool of the employers and A. F. of L. leadership which they charge with betraying the workers, giving many concrete illustrations. The Communist-led section of the left wing is rallying rank and file support for its "Workers Unemployment and Social Insurance" bill now before the House. It differs from other unemployment insurance bills in that it is a fighting document. It calls for several types of benefits for all workers and farmers without discrimination, at the expense of employers and government, and to be administered and controlled by workers and farmers in ways indicated; and no disqualification for the benefits will be permitted when workers refuse to work where a strike is on or where there are bad labor conditions. Those sponsoring the bill say that when they have forced this much from government employers they will go on and force more. The campaign for it is part of the Communist tactic of sending delegations to city councils and other public bodies and "demanding" what they want—in this case endorsement of the bill. Several city councils have yielded to this pressure.

THE EMPLOYERS' OFFENSIVE

Company Unions. The big employers have not waited for their workers to organize into fighting unions but have taken the initiative and promoted company unionism. A survey by the Shock Workers committee of Pen and Hammer, New York, shows that nearly 5,000,000 workers—a fifth more than in the A. F. of L. trade unions—are included in 652 company unions. This is a growth of about 300% since the National Industrial Conference Board made its study of employee representation in 1932. Then 1,263,000 workers were enrolled in 313 employee representation plans. The NICB now reports another survey. In 3,314 concerns, picked at random, employing 2,585,740 workers, about half—1,164,294 workers—were enrolled in company unions. Less than 10%—240,866 workers—in these concerns were under trade union agreements. The iron and steel trade paper *Iron Age* says that about 85% of the industry it represents is company unionized. The *Wall Street Journal* estimates that about 50% of the automobile industry is in company unions. The A. F. of L. unions are organizing a campaign against company unionism and for greatly increased union membership. In several places rank and file members of company unions are voluntarily joining regular unions.

Terror. Company unionism is a weapon effective only with docile workers. Another method, the use of the strong arm, is employed by the corporations when their workers show fight. A recent study of 57 New York strikes by Pen and Hammer showed that in at least 35 instances, extreme terror and intimidation were used. The New York *Sun* reported in November that 1,176 policemen were on continuous strike duty, the highest number on record in the department. In the Pittsburgh area the great steel, coal, and automobile companies have struck back at their militant workers with the use of armed thugs, barrages of tear and bombing gas and lead. In the coal fields of central Illinois there have been beatings and lawless raids by armed men. In New Mexico the state militia was brought in to break the coal strike led by the left wing National Miners Union and strike leaders were tried by drumhead court martials. In the fruit and cotton strikes, under radical leadership, in the San Joaquin Valley in California, night riders have terrorized Filipino workers; Mexican workers have been threatened with the bull pen and deportation; men have been kept in jail without trial for weeks and then their cases dismissed for want of evidence. The American Civil Liberties Union reports that more than 15 strikers have been killed, 200 injured and hundreds arrested since July 1st and that more than 40 sweeping injunctions have been issued against workers.

Is the class struggle a fact? Have the middle classes any interests not represented by one side or the other in the industrial conflict or must they take sides? What is the responsibility of the churches with their middle class constituencies?

SOME QUESTIONS ABOUT NRA

Will It Tolerate Nullification? Several big corporations are defying NRA. Henry Ford has publicly changed front—but he is not recognizing the automobile unions. E. G. Budd of the Budd Automobile Company, having defied the Philadelphia Labor Board and then the National Labor Board, now informs the National Compliance

Board that he will not deal with the A. F. of L. federal union which his employees have joined, nor re-employ about a thousand who went out on strike last fall. The attorney for the U. S. Steel Corporation which refuses to deal with the U. M. W. said before the Board, "General Johnson and the President will tell you that we told them from the start that we would not make a union contract and wouldn't arbitrate that question." Several other corporations take similar positions.

A Test Case? By executive order, President Roosevelt has directed the National Labor Board to find out whether the Weirton workers want to be represented by the Amalgamated Association of Iron, Steel and Tin Workers or by the company union. The union claims a membership of 75,000 in the West Virginia-Ohio area and is sure it represents a big majority of the Weirton workers. A union delegation told the President, with much detail, how the workers have been forced into the company union. The matter has been up since thousands of the workers went on strike last October and then went back under the Board's promise of an election. But Mr. Weir has acted in accord with his own interpretation. The President's order covers every industry where the legitimacy of a company union is in dispute. But General Johnson and Donald Richberg have given a reinterpretation of the President's interpretation of section 7a. They declare that "the right of collective bargaining is not the right to obtain a specific contract." This lets the employers out. They may refuse to make any contract.

Is there any protection whatsoever for labor other than organization and the strike?

Whence NRA? Are those who expect NRA to "crack down" on the defiant corporations assuming a conflict between government and big business that does not in fact exist? John T. Flynn, in an article in the *Forum* recalls that the recovery bill was deliberately substituted for the Black 30-hour bill which the Senate had passed and the Connery bill covering the same point and providing a minimum wage, which was before the House; that the recovery bill closely followed the plan for which the U. S. Chamber of Commerce had long carried on an intensive campaign—modification of the anti-trust laws and self-rule in industry, i.e., rule by the trade associations; that President Harriman of the C. of C. gave blanket approval in public to the first draft of the recovery bill and was one of those who helped develop the bill; that President Roosevelt expressed public appreciation of Harriman's "fine cooperation"; that Schwab of U. S. Steel and other business leaders extolled the act; that Baruch of the New York Stock Exchange got his man Johnson named Administrator; that such business figures as Sloan of General Motors, Teagle of New Jersey Standard Oil, Swope of General Electric, Harriman, Myron Taylor and others were appointed to an advisory board set up in the Dept. of Commerce. Add to this the fact that the automobile, lumber, boot and shoe and paper and pulp industries have expressed satisfaction with the operation of their codes.

How It Works Out. "The issue of unionism in the steel industry comes up, and five industrial members of the National Labor Board, casually sitting in their offices on the fourth floor of the Dept. of Commerce Building fail to go up to the seventh floor to assume their seats on the tribunal." But labor members of the Board have sometimes been equally indifferent. Is it part of the same picture when chairman Wagner, as the first union organizing wave was rising last fall, deplored, "a philosophy of strife"; that Johnson described strikes as "economic sabotage"; that President Roosevelt uttered a sort of threat to workers who would not work in harness? Are class conscious workers right when they put in one category employers, government and A. F. of L. leaders?

Whither NRA? General Johnson has announced as a goal self-government in industry. This is the very thing that the big industrialists in the trade associations want, and which business journals keep boasting that they are getting. It means that the trade associations will fix prices and regulate production—that they will curb "over-production." It is the program of the profit takers not of those who would produce for the needs of all. Many complaints about price fixing and exploitation of the consumer thereby have been pouring into Washington. Now A. D. Whiteside, NRA division administrator, has frankly admitted that certain of the codes have resulted in monopolistic price fixing. How far the profit taker will go is shown by an increase in the price of woolen goods seven times the amount necessary to cover the increased cost of labor under the code. General Johnson is promising an overhauling of all the codes this Spring.

Where will he come out? To what extent is the government, whatever the intentions of the administration, the "executive committee" of entrenched business and financial interests?

Sources. The current daily, liberal, church and labor press. Especially articles and items in the *New Republic*; Federated Press releases; and "Mining Notes," "Textile Notes," "Steel and Metal Notes," "Economic Notes" and "NRA Notes" issued by Labor Research Association.

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